

**SENATE ENVIRONMENT, CONSERVATION & TOURISM COMMITTEE**

**Amendment No. 1 to SB0583**

**Ramsey**  
**Signature of Sponsor**

**AMEND Senate Bill No. 583\***

**House Bill No. 1311**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

by deleting all the language following the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 11, Chapter 4, is amended by adding Sections 2 through 10 of this act as a new part thereto.

SECTION 2. This act shall be known and may be cited as the "Tennessee Forest Industries Economic Development and Taxpayer Protection Act of 2001."

SECTION 3. The general assembly finds that the forest products industries make an important contribution to Tennessee's economy, and that Tennessee should continue to develop these industries that make a significant contribution to employment in a manner consistent with sustaining the productivity and environmental integrity of Tennessee's forest resources.

Forest resource surveys reveal that some areas of Tennessee may not have favorable growth to removal ratios, i.e., more timber is harvested than is grown over a period of time. Tennessee should, therefore, encourage development of those forest products industries that promote forest resource management by assuring a sustainable supply of timber without jeopardizing forest health, productivity, and the environment.

The purpose of this act is to ensure that the State of Tennessee conducts the appropriate analysis of forest resource data prior to awarding economic incentives or financial assistance in furtherance of the establishment of forest industrie

SECTION 4. For purposes of this act, the following definitions apply:

(1) "Forest industry" means any entity or organization that produces or uses wood chip materials for purposes of processing and producing fiber based products.

**SENATE ENVIRONMENT, CONSERVATION & TOURISM COMMITTEE**

**Amendment No. 1 to SB0583**

**Ramsey**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 583\***

**House Bill No. 1311**

(2) "Procurement zone" means the geographic area within which a specific forest industry may purchase or harvest timber.

(3) "Sustainable" means those forest resource management activities that assure the long-term inherent productivity of the forest, maintain forest health and viability, and utilize recognized standards of performance for environmental protection.

(4) "Timber" means forest trees of any size that may be harvested for commercial purposes.

**SECTION 5.**

(a) Before providing any funds from the Tennessee Industrial Infrastructure Program (TIIP) or Community Block Development Grants relative to the establishment of any new or expanded forest industry in Tennessee the department of economic and community development shall use the findings and conclusions of the department of agriculture regarding the applicant's forest resource report for guidance in making a determination as to the issuance of such economic incentives or financial assistance.

(b) An applicant seeking financial incentives as described in Section 5(a) in furtherance of a new or expanded forest industry shall prepare and submit a forest resource report at its own expense to the department of agriculture for review. The forest resource report shall analyze forest resource inventory data and the effect that the proposed forest industry is estimated to

**SENATE ENVIRONMENT, CONSERVATION & TOURISM COMMITTEE**

**Amendment No. 1 to SB0583**

**Ramsey**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 583\***

**House Bill No. 1311**

have upon that inventory. The forest resource report shall detail the following information:

(1) The existing or proposed location of the facility designated on a map and by geographically referenced coordinates.

(2) The maximum production capacity of the facility.

(3) The maximum wood consumption capability of the facility reported in terms of tons, cords, or board feet of roundwood, including chipped wood delivered to the facility from mobile and harvest site chipping equipment, if applicable. The diameter classes and grade of trees by species, and the approximate percentage mix of species to be used and the impact on the residual stand shall be specified.

(4) The projected life of the facility.

(5) The projected employment at the facility.

(6) A list of all required permits for air and water pollution which will be required or have been granted.

(7) A map of the procurement zone or zones from which trees will be harvested to supply the facility.

(8) The supply of timber as known to the forest industry and the annual harvest required to supply the facility at maximum production from each procurement zone shall be specified. Forest lands owned by the forest industry shall be identified on the map.

**SENATE ENVIRONMENT, CONSERVATION & TOURISM COMMITTEE**

**Amendment No. 1 to SB0583**

**Ramsey**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 583\***

**House Bill No. 1311**

(9) A list of other states in which the forest industry operates a facility, or has operated a facility or from which it has been supplied with timber within the past three (3) years.

(10) Such other information as the department of agriculture shall specify.

(c) A forest resource report may be based upon the review and analysis of existing data and information and nothing in this part shall be construed to require the collection of additional field data in the course of the preparation of a report. The report shall consider the United States Forest Service Southern Annual Forest Inventory System data, and such other data as the department of agriculture may find to be available concerning the amount or rate of growth, removal, and other factors which affect the forest resources which would be available to the forest industry.

(d) Forest inventory data and estimated timber supply and availability shall be adjusted to reflect availability for harvest. Such adjustments shall use appropriate analytical models including but not limited to those used by the United States Forest Service which are capable of being applied to existing data. To the extent data and methods are available the adjustments shall provide for timber which is unavailable for harvest because it is held in public ownership; is within or part of an officially designated natural resource or historic site, is located on soils or slopes which should not be disturbed or left unprotected by removal of forest cover under soil conservation standards; must be left to protect riparian

**SENATE ENVIRONMENT, CONSERVATION & TOURISM COMMITTEE**

**Amendment No. 1 to SB0583**

**Ramsey**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 583\***

**House Bill No. 1311**

areas under best management practices; may not be harvested due to land use controls or plans; is unavailable as shown by information concerning landowner objectives and attitudes; or is otherwise unavailable for harvest. The report shall also consider data from the Southeast Forest Sustainability Study when this data becomes available.

(e) A forest resource report shall address at least the following:

(1) Identification of available forest resources considering the availability of timber of the species, diameter and grade specified by the forest industry. The existing and future consumption by other wood-using industries within the projected procurement zones of the forest industry and the effect of the forest industry's maximum harvest rate on the forest inventory.

(2) To the extent it can be determined an estimate of the impact of the proposed industry on existing forest industries relative to the forest inventory will be prepared.

(3) The forest industry's prior history of land stewardship including the use of best management practices will be considered. Information on the forest industry's history of compliance with legal requirements and fulfillment of commitments made in connection with government programs that are received from other agencies or from public comments will be considered.

**SECTION 6.**

**SENATE ENVIRONMENT, CONSERVATION & TOURISM COMMITTEE**

**Amendment No. 1 to SB0583**

**Ramsey**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 583\***

**House Bill No. 1311**

(a) The department of agriculture shall review and evaluate the forest resource report. In evaluating a forest resource report, the department of agriculture may seek the assistance of the department of environment and conservation's natural heritage program and the division of water pollution control, the department of economic and community development, the department of tourism, the department of revenue, the Tennessee wildlife resources agency, and such other public or private agencies as the department of agriculture may seek to involve. The department of agriculture shall make findings and conclusions for the department of economic and community development's consideration regarding the effects of the proposed forest industry's impact on regional forest resource inventory.

(b) The applicant shall reimburse the department of agriculture for the department's expenses in complying with any affirmative obligation under this act relative to its application for financial or economic incentives.

(c) If an applicant is awarded financial or economic assistance set forth in Section 5, the applicant can apply a portion of these funds to recoup the expenses incurred in the preparation of the forest resource report and the costs paid to the department of agriculture set forth in Section 6(b).

SECTION 7. If an applicant's request for economic incentives or financial assistance is denied by the department of economic and community development on the basis of the department of agriculture's findings the applicant may reapply or ask for reconsideration on the basis of a new or revised application.

**SENATE ENVIRONMENT, CONSERVATION & TOURISM COMMITTEE**

**Amendment No. 1 to SB0583**

**Ramsey**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 583\***

**House Bill No. 1311**

**SECTION 8.**

(a) Participation of the public, interest groups, and organizations involved in forest resource management, economic development, and environmental issues shall be facilitated by posting notice of a prospective application for economic incentives or financial assistance on the Internet web pages maintained by the department of economic and community development and the web pages maintained by the department of agriculture. The notice shall have a brief description of the proposed facility or facility expansion, but need not identify the name of the forest industry. The notice shall state the amount and nature of the economic assistance requested with a summary of the information specified in Section 5(b). The notice shall state how information and comments may be submitted to the department of agriculture concerning a forest resource report. The deadline for receipt of information and comments shall be not less than thirty (30) days following the issuance of notice under this section. Written notice shall also be provided to persons or organizations that have requested such notification from the department of agriculture.

(b) In the event that a forest resource report is prepared apart from a request for economic incentives or financial assistance and economic incentives or financial assistance are subsequently requested, the provisions of (a) shall apply at the time economic incentives or financial assistance is requested. In this case, notice of the previously prepared forest resource report and how a copy may be obtained shall also be provided.

**SENATE ENVIRONMENT, CONSERVATION & TOURISM COMMITTEE**

**Amendment No. 1 to SB0583**

**Ramsey  
Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 583\***

**House Bill No. 1311**

SECTION 9. Notwithstanding any other provision of law to the contrary, the provisions of Tennessee Code Annotated, Section 4-3-730, shall apply to information contained in the Forest Resource Report.

SECTION 10. This act shall take effect upon becoming a law, the public welfare requiring it.